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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

AXS GROUP LLC,

Plaintiff,

v.

EVENT TICKETS CENTER, INC.;
TICKETNETWORK, INC.; VIRTUAL
BARCODE DISTRIBUTION LLC;
ALTAN TANRIVERDI; and
SECURE.TICKETS,

Defendants.

Case No. 2:24-CV-00377-SPG (Ex)

**DEFENDANT TICKETNETWORK,
INC.'S CORRECTED ANSWER
AND COUNTERCLAIMS TO
PLAINTIFF AXS GROUP LLC'S
SECOND AMENDED COMPLAINT**

JURY TRIAL DEMANDED

District Judge: Sherilyn Peace Garnett

Magistrate Judge: Charles F. Eick

Complaint Served: December 9, 2024

1 Defendant TicketNetwork, Inc. (“TicketNetwork”) by and through its
2 attorneys, files its Answer to Plaintiff AXS Group LLC’s (“AXS” or “Plaintiff”)
3 Second Amended Complaint for alleged copyright infringement, violation of the
4 Digital Millennium Copyright Act, trademark counterfeiting, trademark
5 infringement, federal false designation, unfair competition, common law false
6 designation, civil conspiracy, and breach of contract (“Complaint”).

7 **INTRODUCTION**

8 TicketNetwork is a high-tech leader in the ticketing industry. Founded in
9 2002, it operates an online marketplace that provides an outlet for buyers and sellers
10 of tickets to live entertainment events. It hosts a leading online exchange with over
11 \$5.5 billion in ticket inventory. TicketNetwork.com connects fans to more than
12 100,000 concerts, sports and theater events worldwide. All tickets are listed by
13 professional ticket-selling companies and trusted ticket sellers, and backed by a
14 money-back guarantee.

15 In addition to its own website, TicketNetwork allows its inventory of tickets
16 to be sold through affiliate and other websites. Through its flagship product, the
17 TicketNetwork® Point-of-Sale, and its other innovative solutions, TicketNetwork
18 powers a vast network of websites that enable buyers and sellers to exchange tickets
19 to thousands of events. TicketNetwork’s software and services are used by fans
20 looking for concerts and other shows every day.

21 On information and belief, AXS operates on a different business model. It
22 contracts with event organizers or venues to sell tickets on an exclusive basis.
23 According to the Complaint, AXS’s clients include “hundreds of event organizer
24 clients who present sports and entertainment events in the United States, including
25 the Crypto.com Arena in Los Angeles, the T-Mobile Arena in Las Vegas, Nevada,
26 and the Ryman Auditorium and Grand Ol Opry in Nashville, Tennessee.”
27 Complaint, ¶ 2.

1 On information and belief, AXS's monopolistic business model results in
2 notoriously high ticket prices and fees, causing consumer dissatisfaction. To make
3 matters worse, AXS also attempts to restrict the right of customers to resell tickets
4 for events they can no longer attend. In the past, tickets were like books: they were
5 pieces of paper that could be easily resold, as at a used bookstore. But now most
6 tickets are electronic. And on information and belief, AXS has deployed technical
7 and legal means to force customers to resell tickets through AXS's own website or
8 app, such that AXS can control prices and charge even more fees. AXS even admits
9 to this practice in the Complaint: "Regardless of whether consumers purchase
10 original issue primary market tickets *from AXS, or* resale market tickets *through*
11 *AXS Official Resale*, AXS ensures they are '100% authentic' because of proprietary
12 software developed by AXS called 'AXS Mobile ID.' AXS Mobile ID is an identity-
13 based ticketing technology that assigns a unique identifier to each consumer and a
14 mechanism for associating each digital ticket to the proper consumer." Complaint,
15 ¶ 28 (emphasis added).

16 AXS's monopolistic attempts to prevent resale other than through its
17 "official" channel are illegal, as detailed herein. Consumer advocacy groups have
18 stepped up to defend customer rights, and a number of states have enacted legislation
19 making interference with the secondary ticket market illegal. The website for the
20 National Association of Ticket Brokers ("NATB") explains further:

21 Today, efforts are underway in many different forms that restrict
22 the purchase, sale and transfer of tickets. The result is harmful - season
23 ticket holders are losing their tickets, concertgoers are being required to
24 wait in line at will-call to present their ID instead of a using a print-at-
25 home ticket, and many others are being forced to use a single resale site
26 that imposes more fees and minimum pricing regardless of actual market
27 value.

28 ***

1 Ticketholders have the right to purchase, sell, give away or
2 otherwise transfer their tickets freely in an open, transparent, and
3 competitive market without encumbrance of the original seller.

4 Protect Ticket Rights is a fans-focused initiative that helps
5 ticketholders defend their rights and advocates for a market with
6 improved transparency and fairness for consumers and ticket sellers
7 alike. Our work is possible thanks to the professional ticket selling
8 companies of NATB, which support market reform that improves the
9 fan ticket-buying experience.

10 See Ex. A (from <https://www.protectticketrights.com/the-issues> and
11 <https://www.protectticketrights.com/about-ticket-rights>). As the NATB website
12 further explains:

13 Some performers, promoters and venues use paperless tickets
14 which require the credit card holder who purchased them to show the
15 card and ID at the door of the event. This impedes the right of the ticket
16 owner to employ them as desired: perhaps to sell them, or to give them
17 away, for instance, if it proves impossible to attend the event. They
18 claim this is to reduce fraud, when in reality it's merely a scheme to
19 restrict your right to sell or transfer your tickets. Fortunately, six states
20 have passed laws that require consumers be offered a freely transferable
21 ticket option (meaning not mobile-only and not locked to one specific
22 ticketing platform or system, such as . . . AXS). These states include
23 Colorado, Connecticut, Illinois, New York, Utah, and Virginia.”

24 *Id.*

25 On information and belief, vendors including AXS have also begun *cancelling*
26 the tickets of their own paying customers if these customers resell their tickets
27 outside of the “official” channel:
28

1 Some venues have begun to use ticket-scanning technology that
2 can deny entry to ticketholders who purchased their ticket from a
3 competitor to their box office or the contracted, “primary” ticketing
4 issuer (most often . . . AXS). Meanwhile these are tickets that were
5 already purchased from the box office or primary seller in the first place,
6 and merely resold or transferred to a new ticketholder. The technology
7 uses digital, app-based tickets with revolving bar codes or QR codes to
8 scan at entry. This technology infamously failed at a small concert in
9 Los Angeles in October 2019 when hundreds of fans carrying valid
10 tickets were denied entry simply because they purchased their tickets
11 from a competing seller. Fortunately, laws in several states prohibit
12 venues from discriminating against ticketholders and denying entry on
13 the basis that the ticketholder purchased their tickets on the secondary,
14 resale market.

15 *Id.* On information and belief, the Los Angeles incident described in the quote may
16 refer to a Black Keys concert, which “shut out hundreds of fans, causing chaos at
17 the Wiltern.” See Ex. B ([https://www.latimes.com/california/story/2019-09-](https://www.latimes.com/california/story/2019-09-20/black-keys-wiltern-tickets-ticketmaster)
18 [20/black-keys-wiltern-tickets-ticketmaster](https://www.latimes.com/california/story/2019-09-20/black-keys-wiltern-tickets-ticketmaster)).

19 This means that AXS is itself *causing* the very harms to its reputation and to
20 customers that it discusses in the Complaint.

21 On information and belief, season tickets are also being cancelled in a similar
22 way:

23 Some sports teams are cancelling, threatening to cancel, or
24 choosing not to renew accounts of season ticket holders that they believe
25 are reselling tickets. This is unfair and punishes the most vested ticket
26 holders of a team! Many season ticket holders cannot attend every game
27 so they may give them away or sell some, others may resell a portion of
28 their tickets as a means to afford their full ticket package. Reselling

1 tickets that would otherwise go unused puts a fan in the seat - a win-win
2 situation when you consider attendees at live events tend to make
3 purchases at concessions. Plus, a team should prefer filled seats over
4 empty seats. Importantly, these tickets are being resold, not sold for the
5 first time, meaning the team has already been paid the price of the ticket
6 package plus any associated fees. The same practice occurs in live
7 music too, where large, powerful companies contracted by venues or
8 concert promoters to sell tickets arbitrarily use technology to cancel
9 consumers' tickets long after they are purchased.

10 Ex. A.

11 To address this misconduct, TicketNetwork is countersuing AXS as detailed
12 below.

13 **ANSWER**

14 TicketNetwork responds to the allegations contained in the numbered
15 paragraphs of AXS's Complaint below. TicketNetwork denies all allegations and
16 characterizations in AXS's Complaint unless expressly admitted in the following
17 paragraphs.

18 **I. "INTRODUCTION & SUMMARY OF RELIEF REQUESTED"¹**

19 1. TicketNetwork denies that it has committed any alleged wrongdoing or
20 caused any alleged harm described in the Complaint. In addition, while
21 TicketNetwork is not involved with bypassing any AXS security or access control
22 measures—which on information and belief are designed to unlawfully force
23 customers to resell AXS tickets through AXS's own website or app—TicketNetwork
24 denies that doing so for the purpose of reselling tickets renders such tickets
25 “counterfeit” or “fraudulent.” On information and belief, such tickets continue to
26 _____

27 ¹ TicketNetwork repeats the Complaint's headings for convenience but does not
28 thereby make any admission that they are accurate.

1 function for the purpose of entering an event unless AXS itself chooses to cancel the
2 tickets of its own paying customers. To extent AXS does cancel such tickets, AXS
3 itself is the cause of the very customer dissatisfaction and harm that AXS cites in its
4 Complaint. TicketNetwork otherwise lacks knowledge or information sufficient to
5 form a belief as to the truth of the allegations in Paragraph 1, and therefore denies
6 them.

7 2. TicketNetwork lacks knowledge or information sufficient to form a
8 belief as to the truth of the allegations in Paragraph 2, and therefore denies them.

9 3. TicketNetwork lacks knowledge or information sufficient to form a
10 belief as to the truth of the allegations in Paragraph 3, and therefore denies them.

11 4. TicketNetwork lacks knowledge or information sufficient to form a
12 belief as to the truth of the allegations in Paragraph 4, and therefore denies them.

13 5. TicketNetwork lacks knowledge or information sufficient to form a
14 belief as to the truth of the allegations in Paragraph 5, and therefore denies them.

15 6. While TicketNetwork is not involved with bypassing any AXS security
16 or access control measures, TicketNetwork denies that doing so for the purpose of
17 resale renders a ticket “fraudulent.” TicketNetwork lacks knowledge or information
18 sufficient to form a belief as to the truth of the allegations in Paragraph 6, and
19 therefore denies them.

20 7. TicketNetwork denies that it has committed any alleged wrongdoing
21 described in the Complaint. In addition, while TicketNetwork is not involved with
22 bypassing any AXS security or access control measures, TicketNetwork denies that
23 doing so for the purpose of resale renders a ticket “counterfeit.” TicketNetwork
24 otherwise lacks knowledge or information sufficient to form a belief as to the truth
25 of the allegations in Paragraph 7, and therefore denies them.

26 8. TicketNetwork denies that it has committed any alleged wrongdoing or
27 caused any alleged harm described in the Complaint. In addition, while
28 TicketNetwork is not involved with bypassing any AXS security or access control

1 measures, TicketNetwork denies that doing so for the purpose of resale renders a
2 ticket “counterfeit” or “fake.” TicketNetwork otherwise lacks knowledge or
3 information sufficient to form a belief as to the truth of the allegations in Paragraph
4 8, and therefore denies them.

5 9. TicketNetwork denies that it has committed any alleged wrongdoing
6 described in the Complaint. TicketNetwork otherwise lacks knowledge or
7 information sufficient to form a belief as to the truth of the allegations in Paragraph
8 9, and therefore denies them.

9 II. “PARTIES”

10 10. TicketNetwork lacks knowledge or information sufficient to form a
11 belief as to the truth of the allegations in Paragraph 10, and therefore denies them.

12 11. TicketNetwork admits that it provides ticket listing services to
13 Defendant Event Tickets Center, Inc. (“ETC”) under contract. TicketNetwork
14 otherwise lacks knowledge or information sufficient to form a belief as to the truth
15 of the allegations in Paragraph 11 and therefore denies them.

16 12. TicketNetwork admits that it is a Delaware corporation with an address
17 at 75 Gerber Road East, South Windsor, CT 06074. TicketNetwork also admits that
18 it owns the domain ticketnetwork.com and that it provides ticket listing services to
19 ETC and others under contract. TicketNetwork denies all remaining allegations
20 contained in Paragraph 12.

21 13. TicketNetwork lacks knowledge or information sufficient to form a
22 belief as to the truth of the allegations in Paragraph 13, and therefore denies them.

23 14. TicketNetwork lacks knowledge or information sufficient to form a
24 belief as to the truth of the allegations in Paragraph 14, and therefore denies them.

25 15. TicketNetwork lacks knowledge or information sufficient to form a
26 belief as to the truth of the allegations in Paragraph 15, and therefore denies them.

27 16. TicketNetwork lacks knowledge or information sufficient to form a
28 belief as to the truth of the allegations in Paragraph 16, and therefore denies them.

1 **III. “JURISDICTION AND VENUE”**

2 17. TicketNetwork admits that this Court has subject matter jurisdiction
3 over this action pursuant to 28 U.S.C. §§ 1331 and 1338(a). TicketNetwork denies
4 all remaining allegations contained in Paragraph 17.

5 18. TicketNetwork admits this Court has supplemental jurisdiction over
6 state claims. TicketNetwork denies that it has committed any alleged wrongdoing
7 described in the Complaint. In addition, while TicketNetwork is not involved with
8 bypassing any AXS security or access control measures, TicketNetwork denies that
9 doing so for the purpose of resale renders a ticket “counterfeit.” TicketNetwork
10 denies all remaining allegations contained in Paragraph 18.

11 19. TicketNetwork admits this Court has personal jurisdiction over
12 TicketNetwork. TicketNetwork denies that it has committed any alleged wrongdoing
13 described in the Complaint. In addition, while TicketNetwork is not involved with
14 bypassing any AXS security or access control measures, TicketNetwork denies that
15 doing so for the purpose of resale renders a ticket “counterfeit,” “fake,” or
16 “fraudulent.” TicketNetwork denies all remaining allegations contained in
17 Paragraph 19, and therefore denies them.

18 20. TicketNetwork lacks knowledge or information sufficient to form a
19 belief as to the truth of the allegations in Paragraph 20, and therefore denies them.

20 21. TicketNetwork lacks knowledge or information sufficient to form a
21 belief as to the truth of the allegations in Paragraph 21, and therefore denies them.

22 22. TicketNetwork denies that venue is proper in this district because the
23 Complaint appears based on Plaintiff’s use of Event Ticket’s website, which requires
24 that any controversy or claim arising out of or relating to the use of the site shall be
25 subject to venue in the state and federal courts of the State of Connecticut, Hartford
26 County. TicketNetwork denies that it has committed any alleged wrongdoing
27 described in the Complaint. TicketNetwork denies all remaining allegations
28 contained in Paragraph 22.

1 **IV. "PLAINTIFF'S E-TICKETING BUSINESS OPERATION"**

2 **A. "The AXS Platform for Selling and Re-Selling Tickets"**

3 23. TicketNetwork lacks knowledge or information sufficient to form a
4 belief as to the truth of the allegations in Paragraph 23, and therefore denies them.

5 24. TicketNetwork lacks knowledge or information sufficient to form a
6 belief as to the truth of the allegations in Paragraph 24, and therefore denies them.

7 25. TicketNetwork lacks knowledge or information sufficient to form a
8 belief as to the truth of the allegations in Paragraph 25, and therefore denies them.

9 26. TicketNetwork lacks knowledge or information sufficient to form a
10 belief as to the truth of the allegations in Paragraph 26, and therefore denies them.

11 27. TicketNetwork denies that it has committed any alleged wrongdoing or
12 caused any alleged harm described in the Complaint. In addition, while
13 TicketNetwork is not involved with bypassing any AXS security or access control
14 measures, TicketNetwork denies that doing so for the purpose of resale renders a
15 ticket "counterfeit." TicketNetwork otherwise lacks knowledge or information
16 sufficient to form a belief as to the truth of the allegations in Paragraph 27, and
17 therefore denies them.

18 **B. "AXS Mobile ID Technology (Formerly Known as 'Flash
19 Seats')"**

20 28. TicketNetwork lacks knowledge or information sufficient to form a
21 belief as to the truth of the allegations in Paragraph 28, and therefore denies them.

22 29. TicketNetwork lacks knowledge or information sufficient to form a
23 belief as to the truth of the allegations in Paragraph 29, and therefore denies them.

24 30. TicketNetwork lacks knowledge or information sufficient to form a
25 belief as to the truth of the allegations in Paragraph 30, and therefore denies them.

26 31. TicketNetwork lacks knowledge or information sufficient to form a
27 belief as to the truth of the allegations in Paragraph 31, and therefore denies them.

28 32. TicketNetwork lacks knowledge or information sufficient to form a

1 belief as to the truth of the allegations in Paragraph 32, and therefore denies them.

2 33. TicketNetwork lacks knowledge or information sufficient to form a
3 belief as to the truth of the allegations in Paragraph 33, and therefore denies them.

4 34. TicketNetwork lacks knowledge or information sufficient to form a
5 belief as to the truth of the allegations in Paragraph 34, and therefore denies them.

6 35. TicketNetwork denies that it has committed any alleged wrongdoing or
7 caused any alleged harm described in the Complaint. In addition, while
8 TicketNetwork is not involved with bypassing any AXS security or access control
9 measures, TicketNetwork denies that doing so for the purpose of resale renders a
10 ticket “counterfeit.” TicketNetwork otherwise lacks knowledge or information
11 sufficient to form a belief as to the truth of the allegations in Paragraph 35, and
12 therefore denies them.

13 **V. “PLAINTIFF’S [ALLEGEDLY] VALID AND SUBSISTING**
14 **INTELLECTUAL PROPERTY RIGHTS”**

15 **A. “The AXS Trademarks”**

16 36. TicketNetwork lacks knowledge or information sufficient to form a
17 belief as to the truth of the allegations in Paragraph 36, and therefore denies them.

18 37. TicketNetwork lacks knowledge or information sufficient to form a
19 belief as to the truth of the allegations in Paragraph 37, and therefore denies them.

20 38. TicketNetwork lacks knowledge or information sufficient to form a
21 belief as to the truth of the allegations in Paragraph 38, and therefore denies them.

22 39. TicketNetwork lacks knowledge or information sufficient to form a
23 belief as to the truth of the allegations in Paragraph 39, and therefore denies them.

24 40. TicketNetwork lacks knowledge or information sufficient to form a
25 belief as to the truth of the allegations in Paragraph 40, and therefore denies them.

26 41. TicketNetwork lacks knowledge or information sufficient to form a
27 belief as to the truth of the allegations in Paragraph 41, and therefore denies them.

28 42. TicketNetwork lacks knowledge or information sufficient to form a

1 belief as to the truth of the allegations in Paragraph 42, and therefore denies them.

2 43. TicketNetwork lacks knowledge or information sufficient to form a
3 belief as to the truth of the allegations in Paragraph 43, and therefore denies them.

4 **B. “The AXS Copyrights”**

5 44. TicketNetwork lacks knowledge or information sufficient to form a
6 belief as to the truth of the allegations in Paragraph 44, and therefore denies them.

7 45. TicketNetwork lacks knowledge or information sufficient to form a
8 belief as to the truth of the allegations in Paragraph 45, and therefore denies them.

9 46. TicketNetwork lacks knowledge or information sufficient to form a
10 belief as to the truth of the allegations in Paragraph 46, and therefore denies them.

11 47. TicketNetwork lacks knowledge or information sufficient to form a
12 belief as to the truth of the allegations in Paragraph 47, and therefore denies them.

13 48. TicketNetwork lacks knowledge or information sufficient to form a
14 belief as to the truth of the allegations in Paragraph 48, and therefore denies them.

15 **C. “Notice of Plaintiff’s Trademarks and Copyrights”**

16 49. TicketNetwork lacks knowledge or information sufficient to form a
17 belief as to the truth of the allegations in Paragraph 49, and therefore denies them.

18 50. TicketNetwork lacks knowledge or information sufficient to form a
19 belief as to the truth of the allegations in Paragraph 50, and therefore denies them.

20 51. TicketNetwork lacks knowledge or information sufficient to form a
21 belief as to the truth of the allegations in Paragraph 51, and therefore denies them.

22 **VI. “DEFENDANTS’ [ALLEGED] INFRINGING AND ILLICIT**
23 **COUNTERFEITING OPERATIONS”**

24 52. TicketNetwork lacks knowledge or information sufficient to form a
25 belief as to the truth of the allegations in Paragraph 52, and therefore denies them.

26 53. TicketNetwork denies all allegations contained in Paragraph 53 relating
27 to TicketNetwork and denies that it has committed any alleged wrongdoing
28 described in the Complaint. In addition, while TicketNetwork is not involved with

1 bypassing any AXS security or access control measures, TicketNetwork denies that
2 doing so for the purpose of resale renders a ticket “counterfeit.” TicketNetwork
3 otherwise lacks knowledge or information sufficient to form a belief as to the truth
4 of the remaining allegations in this paragraph, and therefore denies them.

5 **A. “ETC [Allegedly] Delivers Counterfeit AXS Digital Tickets to**
6 **Unsuspecting Consumers in Cooperation with VBD”**

7 54. On information and belief, ETC only markets on its website and is not
8 involved in distribution of tickets, and AXS is aware of this. TicketNetwork lacks
9 knowledge or information sufficient to form a belief as to the truth of the allegations
10 in Paragraph 54, and therefore denies them.

11 55. On information and belief, ETC only markets on its website and is not
12 involved in delivery or handling of tickets. In addition, while TicketNetwork is not
13 involved with bypassing any AXS security or access control measures,
14 TicketNetwork denies that doing so for the purpose of resale renders a ticket
15 “counterfeit.” TicketNetwork otherwise lacks knowledge or information sufficient
16 to form a belief as to the truth of the allegations in Paragraph 55, and therefore denies
17 them.

18 56. On information and belief, ETC earns revenue from service fees, not
19 the cost the tickets, and AXS is aware of this. In addition, while TicketNetwork is
20 not involved with bypassing any AXS security or access control measures,
21 TicketNetwork denies that doing so for the purpose of resale renders a ticket
22 “counterfeit.” TicketNetwork otherwise lacks knowledge or information sufficient
23 to form a belief as to the truth of the allegations in Paragraph 56, and therefore denies
24 them.

25 57. While TicketNetwork does no business with Defendant VBD and is not
26 involved with bypassing any AXS security or access control measures,
27 TicketNetwork denies that doing so for the purpose of resale renders a ticket
28 “counterfeit.” TicketNetwork otherwise lacks knowledge or information sufficient

1 to form a belief as to the truth of the allegations in Paragraph 57, and therefore denies
2 them.

3 58. While TicketNetwork does no business with Defendant VBD and is not
4 involved with bypassing any AXS security or access control measures,
5 TicketNetwork denies that doing so for the purpose of resale renders a ticket
6 “counterfeit.” TicketNetwork otherwise lacks knowledge or information sufficient
7 to form a belief as to the truth of the allegations in Paragraph 58, and therefore denies
8 them.

9 59. While TicketNetwork does no business with Defendant VBD and is not
10 involved with bypassing any AXS security or access control measures,
11 TicketNetwork denies that doing so for the purpose of resale renders a ticket
12 “fraudulent.” TicketNetwork lacks knowledge or information sufficient to form a
13 belief as to the truth of the allegations in Paragraph 59, and therefore denies them.

14 60. While TicketNetwork does no business with Defendant VBD and is not
15 involved with bypassing any AXS security or access control measures,
16 TicketNetwork denies that doing so for the purpose of resale renders a ticket
17 “counterfeit.” TicketNetwork otherwise lacks knowledge or information sufficient
18 to form a belief as to the truth of the allegations in Paragraph 60, and therefore denies
19 them.

20 61. TicketNetwork lacks knowledge or information sufficient to form a
21 belief as to the truth of the allegations in Paragraph 61, and therefore denies them.

22 62. While TicketNetwork does no business with Defendant VBD and is not
23 involved with bypassing any AXS security or access control measures,
24 TicketNetwork denies that doing so for the purpose of resale renders a ticket
25 “counterfeit.” TicketNetwork otherwise lacks knowledge or information sufficient
26 to form a belief as to the truth of the allegations in Paragraph 62 and therefore denies
27 them.

28 63. TicketNetwork denies any allegations in Paragraph 63 related to

1 TicketNetwork and denies that it has committed any alleged wrongdoing described
2 in the Complaint. In addition, while TicketNetwork is not involved with bypassing
3 any AXS security or access control measures, TicketNetwork denies that doing so
4 for the purpose of resale renders a ticket “counterfeit.” TicketNetwork otherwise
5 lacks knowledge or information sufficient to form a belief as to the truth of the
6 allegations in this paragraph, and therefore denies them.

7 64. TicketNetwork denies any allegations in Paragraph 64 related to
8 TicketNetwork. TicketNetwork otherwise lacks knowledge or information
9 sufficient to form a belief as to the truth of the allegations in this paragraph, and
10 therefore denies them.

11 65. TicketNetwork denies any allegations in Paragraph 65 related to
12 TicketNetwork. TicketNetwork otherwise lacks knowledge or information
13 sufficient to form a belief as to the truth of the allegations in this paragraph, and
14 therefore denies them.

15 **B. “TNI Markets and Delivers Counterfeit AXS Digital Tickets**
16 **to Unsuspecting Consumers and Provides Software to**
17 **Facilitate the Same”**

18 66. TicketNetwork admits that it owns the domain ticketnetwork.com and
19 that it provides ticket listing services. TicketNetwork denies that it distributes
20 tickets, and on information and belief AXS is aware of this. TicketNetwork
21 otherwise lacks knowledge or information sufficient to form a belief as to the truth
22 of the allegations in Paragraph 66, and therefore denies them.

23 67. TicketNetwork admits that it owns the domain ticketnetwork.com and
24 that it provides ticket listing services. TicketNetwork denies that it delivers tickets,
25 and on information and belief AXS is aware of this. Ticket sellers deliver tickets
26 directly to consumers. TicketNetwork also denies that it has committed any alleged
27 wrongdoing described in the Complaint. In addition, while TicketNetwork is not
28 involved with bypassing any AXS security or access control measures,

1 TicketNetwork denies that doing so for the purpose of resale renders a ticket
2 “counterfeit” or that purchasers are “duped.” TicketNetwork denies that it knows of
3 or is actively involved in the alleged “rampant practice” or “process.”
4 TicketNetwork otherwise lacks knowledge or information sufficient to form a belief
5 as to the truth of the allegations in Paragraph 67, and therefore denies them.

6 68. TicketNetwork admits that it owns the domain ticketnetwork.com and
7 that it provides ticket listing services. TicketNetwork denies that it distributes
8 tickets, and on information and belief AXS is aware of this. Ticket sellers deliver
9 tickets directly to consumers. TicketNetwork also denies that it has committed any
10 alleged wrongdoing described in the Complaint. In addition, while TicketNetwork
11 is not involved with bypassing any AXS security or access control measures,
12 TicketNetwork denies that doing so for the purpose of resale renders a ticket
13 “counterfeit.” TicketNetwork otherwise lacks knowledge or information sufficient
14 to form a belief as to the truth of the allegations in Paragraph 68, and therefore denies
15 them.

16 69. TicketNetwork admits that it owns the domain ticketnetwork.com and
17 that it provides ticket listing services to others under contract. TicketNetwork
18 otherwise lacks knowledge or information sufficient to form a belief as to the truth
19 of the allegations in Paragraph 69, and therefore denies them.

20 70. TicketNetwork admits that it provides ticket listing services to others
21 under contract and that the Complaint quotes in part from TicketNetwork’s website.
22 TicketNetwork otherwise lacks knowledge or information sufficient to form a belief
23 as to the truth of the allegations in Paragraph 70, and therefore denies them.

24 71. TicketNetwork admits that it provides ticket listing services to others
25 under contract and that the Complaint quotes in part from TicketNetwork’s website.
26 TicketNetwork otherwise lacks knowledge or information sufficient to form a belief
27 as to the truth of the allegations in Paragraph 71, and therefore denies them.

28 72. TicketNetwork admits that it owns the domain ticketnetwork.com and

1 that it provides ticket listing services. TicketNetwork denies that it distributes
2 tickets, and on information and belief AXS is aware of this. Ticket sellers deliver
3 tickets directly to consumers. TicketNetwork denies that it has committed any
4 alleged wrongdoing described in the Complaint. In addition, while TicketNetwork
5 is not involved with bypassing any AXS security or access control measures,
6 TicketNetwork denies that doing so for the purpose of resale renders a ticket
7 “counterfeit.” TicketNetwork otherwise lacks knowledge or information sufficient
8 to form a belief as to the truth of the allegations in Paragraph 72, and therefore denies
9 them.

10 73. TicketNetwork admits that it provides ticket listing services to ETC and
11 others under contract. TicketNetwork denies that it distributes tickets, and on
12 information and belief AXS is aware of this. Ticket sellers deliver tickets directly
13 to consumers. On information and belief, ETC only markets on its website and does
14 not retail, sell, or distribute tickets, and AXS is aware of this. TicketNetwork also
15 denies that it has committed any alleged wrongdoing described in the Complaint. In
16 addition, while TicketNetwork is not involved with bypassing any AXS security or
17 access control measures, TicketNetwork denies that doing so for the purpose of
18 resale renders a ticket “counterfeit.” TicketNetwork otherwise lacks knowledge or
19 information sufficient to form a belief as to the truth of the allegations in Paragraph
20 73, and therefore denies them.

21 74. TicketNetwork admits that it provides ticket listing services.
22 TicketNetwork denies that it distributes tickets, and on information and belief AXS
23 is aware of this. Ticket sellers deliver tickets directly to consumers. TicketNetwork
24 denies that it has committed any alleged wrongdoing described in the Complaint. In
25 addition, while TicketNetwork is not involved with bypassing any AXS security or
26 access control measures, TicketNetwork denies that doing so for the purpose of
27 resale renders a ticket “counterfeit.” TicketNetwork otherwise lacks knowledge or
28 information sufficient to form a belief as to the truth of the allegations in Paragraph

1 74, and therefore denies them.

2 75. TicketNetwork denies that AXS “learned” of TicketNetwork’s
3 involvement in this by “investigating.” TicketNetwork voluntarily stepped forward
4 to defend its customer ETC and began settlement negotiations with AXS.
5 TicketNetwork also objects to AXS’s reference to the content of these settlement
6 discussions, which were designated under Rule 408, but to the extent such
7 discussions are admissible, TicketNetwork told AXS it was not involved in ticket
8 distribution or “counterfeiting.” During settlement discussions, AXS did give
9 TicketNetwork a list of brokers that it alleged possibly sold “counterfeit” tickets, but
10 out of the approximately 15 names, only one was found in TicketNetwork’s records,
11 and that account had been disabled a year previously. TicketNetwork also told AXS
12 that TicketNetwork’s software did not differentiate between the brand of ticket that
13 was being sold (*e.g.*, . . . AXS). In addition, TicketNetwork denies that it distributes
14 tickets, and on information and belief AXS is aware of this. TicketNetwork denies
15 that it has committed any alleged wrongdoing described in the Complaint. And
16 while TicketNetwork is not involved with bypassing any AXS security or access
17 control measures, TicketNetwork denies that doing so for the purpose of resale
18 renders a ticket “counterfeit.” TicketNetwork otherwise lacks knowledge or
19 information sufficient to form a belief as to the truth of the allegations in Paragraph
20 75, and therefore denies them.

21 76. TicketNetwork denies that it has committed any alleged wrongdoing
22 described in the Complaint. While TicketNetwork is not involved with bypassing
23 any AXS security or access control measures, TicketNetwork denies that doing so
24 for the purpose of resale renders a ticket “counterfeit.” TicketNetwork denies that it
25 knows of or is actively involved in the alleged “rampant practice” or “process.”
26 TicketNetwork otherwise lacks knowledge or information sufficient to form a belief
27 as to the truth of the allegations in Paragraph 76, and therefore denies them.

28 77. TicketNetwork admits that it provides ticket listing services.

1 TicketNetwork denies that it distributes tickets, and on information and belief AXS
2 is aware of this. Ticket sellers deliver tickets directly to consumers. TicketNetwork
3 denies that it has committed any alleged wrongdoing described in the Complaint. In
4 addition, while TicketNetwork is not involved with bypassing any AXS security or
5 access control measures, TicketNetwork denies that doing so for the purpose of
6 resale renders a ticket “counterfeit.” TicketNetwork otherwise lacks knowledge or
7 information sufficient to form a belief as to the truth of the allegations in Paragraph
8 77, and therefore denies them.

9 78. TicketNetwork denies any allegations in Paragraph 78 related to
10 TicketNetwork and denies that it has committed any alleged wrongdoing described
11 in the Complaint. In addition, while TicketNetwork is not involved with bypassing
12 any AXS security or access control measures, TicketNetwork denies that doing so
13 for the purpose of resale renders a ticket “counterfeit.” On information and belief,
14 AXS is also aware that TicketNetwork is not involved in any such “counterfeiting.”
15 Furthermore, while TicketNetwork objects to AXS’s reference to the content of
16 settlement discussions designated under Rule 408, to the extent such discussions are
17 admissible, TicketNetwork provided AXS with an article discussing how ticket
18 security or access control measures may be bypassed
19 (<https://www.404media.co/email/5177b3c5-992b-4cd2-9a8d-d3f38310782f>).

20 TicketNetwork also repeatedly told AXS that it has nothing to do with delivering
21 tickets and absolutely nothing to do with apps or websites to bypass AXS security
22 or access control measures. TicketNetwork also told AXS that it does not know who
23 is responsible for bypassing AXS security or access control measures and is not
24 affiliated with any such actors. TicketNetwork otherwise lacks knowledge or
25 information sufficient to form a belief as to the truth of the allegations in this
26 paragraph, and therefore denies them.

27 79. TicketNetwork denies any allegations in Paragraph 79 related to
28 TicketNetwork and denies that it has committed any alleged wrongdoing described

1 in the Complaint. TicketNetwork otherwise lacks knowledge or information
2 sufficient to form a belief as to the truth of the allegations in this paragraph, and
3 therefore denies them.

4 80. TicketNetwork denies any allegations in Paragraph 80 related to
5 TicketNetwork and denies that it has committed any alleged wrongdoing or caused
6 any alleged harm described in the Complaint. TicketNetwork otherwise lacks
7 knowledge or information sufficient to form a belief as to the truth of the allegations
8 in this paragraph, and therefore denies them.

9 **C. “ETC’s Independent Acts of Infringement and Unfair**
10 **Competition”**

11 81. While TicketNetwork is not involved with bypassing any AXS security
12 or access control measures, TicketNetwork denies that doing so for the purpose of
13 resale renders a ticket “counterfeit,” “fake,” or “fraudulent.” TicketNetwork
14 otherwise lacks knowledge or information sufficient to form a belief as to the truth
15 of the allegations in Paragraph 81, and therefore denies them.

16 82. TicketNetwork lacks knowledge or information sufficient to form a
17 belief as to the truth of the allegations in Paragraph 82, and therefore denies them.

18 83. TicketNetwork lacks knowledge or information sufficient to form a
19 belief as to the truth of the allegations in Paragraph 83, and therefore denies them.

20 84. TicketNetwork lacks knowledge or information sufficient to form a
21 belief as to the truth of the allegations in Paragraph 84, and therefore denies them.

22 85. TicketNetwork lacks knowledge or information sufficient to form a
23 belief as to the truth of the allegations in Paragraph 85, and therefore denies them.

24 86. While TicketNetwork is not involved with bypassing any AXS security
25 or access control measures, TicketNetwork denies that doing so for the purpose of
26 resale renders a ticket “counterfeit,” “fake,” or “fraudulent.” TicketNetwork lacks
27 knowledge or information sufficient to form a belief as to the truth of the allegations
28 in Paragraph 86, and therefore denies them.

1 87. TicketNetwork lacks knowledge or information sufficient to form a
2 belief as to the truth of the allegations in Paragraph 87, and therefore denies them.

3 **D. “Defendant Tanriverdi Is Selling and Distributing**
4 **Counterfeit AXS Tickets in this Judicial District”**

5 88. While TicketNetwork has no record of doing business with Defendant
6 Tanriverdi and is not involved with bypassing any AXS security or access control
7 measures, TicketNetwork denies that doing so for the purpose of resale renders a
8 ticket “counterfeit.” TicketNetwork otherwise lacks knowledge or information
9 sufficient to form a belief as to the truth of the allegations in Paragraph 88, and
10 therefore denies them.

11 89. While TicketNetwork has no record of doing business with Defendant
12 Tanriverdi and is not involved with bypassing any AXS security or access control
13 measures, TicketNetwork denies that doing so for the purpose of resale renders a
14 ticket “counterfeit” or “fraudulent.” TicketNetwork otherwise lacks knowledge or
15 information sufficient to form a belief as to the truth of the allegations in Paragraph
16 89, and therefore denies them.

17 90. While TicketNetwork has no record of doing business with Defendant
18 Tanriverdi and is not involved with bypassing any AXS security or access control
19 measures, TicketNetwork denies that doing so for the purpose of resale renders a
20 ticket “counterfeit.” TicketNetwork otherwise lacks knowledge or information
21 sufficient to form a belief as to the truth of the allegations in Paragraph 90, and
22 therefore denies them.

23 91. While TicketNetwork has no record of doing business with Defendant
24 Tanriverdi and is not involved with bypassing any AXS security or access control
25 measures, TicketNetwork denies that doing so for the purpose of resale renders a
26 ticket “counterfeit.” TicketNetwork otherwise lacks knowledge or information
27 sufficient to form a belief as to the truth of the allegations in Paragraph 91, and
28 therefore denies them.

1 92. TicketNetwork lacks knowledge or information sufficient to form a
2 belief as to the truth of the allegations in Paragraph 92, and therefore denies them.

3 93. While TicketNetwork has no record of doing business with Defendant
4 Tanriverdi and is not involved with bypassing any AXS security or access control
5 measures, TicketNetwork denies that doing so for the purpose of resale renders a
6 ticket “counterfeit.” TicketNetwork otherwise lacks knowledge or information
7 sufficient to form a belief as to the truth of the allegations in Paragraph 93, and
8 therefore denies them.

9 94. TicketNetwork lacks knowledge or information sufficient to form a
10 belief as to the truth of the allegations in Paragraph 94, and therefore denies them.

11 **E. “Secure.Tickets is Selling and Distributing Counterfeit AXS**
12 **Tickets in this Judicial District”**

13 95. While TicketNetwork does no business with Defendant Secure.Tickets
14 and is not involved with bypassing any AXS security or access control measures,
15 TicketNetwork denies that doing so for the purpose of resale renders a ticket
16 “counterfeit.” TicketNetwork otherwise lacks knowledge or information sufficient
17 to form a belief as to the truth of the allegations in Paragraph 95, and therefore denies
18 them.

19 96. While TicketNetwork does no business with Defendant Secure.Tickets
20 and is not involved with bypassing any AXS security or access control measures,
21 TicketNetwork denies that doing so for the purpose of resale renders a ticket
22 “counterfeit.” TicketNetwork otherwise lacks knowledge or information sufficient
23 to form a belief as to the truth of the allegations in Paragraph 96, and therefore denies
24 them.

25 97. While TicketNetwork does no business with Defendant Secure.Tickets
26 and is not involved with bypassing any AXS security or access control measures,
27 TicketNetwork denies that doing so for the purpose of resale renders a ticket
28 “counterfeit.” TicketNetwork otherwise lacks knowledge or information sufficient

1 to form a belief as to the truth of the allegations in Paragraph 97, and therefore denies
2 them.

3 98. TicketNetwork lacks knowledge or information sufficient to form a
4 belief as to the truth of the allegations in Paragraph 98, and therefore denies them.

5 99. While TicketNetwork does no business with Defendant Secure.Tickets
6 and is not involved with bypassing any AXS security or access control measures,
7 TicketNetwork denies that doing so for the purpose of resale renders a ticket
8 “counterfeit.” TicketNetwork otherwise lacks knowledge or information sufficient
9 to form a belief as to the truth of the allegations in Paragraph 99, and therefore denies
10 them.

11 100. TicketNetwork lacks knowledge or information sufficient to form a
12 belief as to the truth of the allegations in Paragraph 100, and therefore denies them.

13 **VII. “CAUSES OF ACTION”**

14 **“First Cause of Action (All Defendants)”**

15 **[Alleged] Copyright Infringement Under 17 U.S.C. § 101, et. seq.”**

16 101. In response to Paragraph 101, TicketNetwork incorporates by reference
17 its responses to the preceding paragraphs of the Complaint as though fully restated
18 herein.

19 102. TicketNetwork lacks knowledge or information sufficient to form a
20 belief as to the truth of the allegations in Paragraph 102, and therefore denies them.

21 103. TicketNetwork lacks knowledge or information sufficient to form a
22 belief as to the truth of the allegations in Paragraph 103, and therefore denies them.

23 104. TicketNetwork lacks knowledge or information sufficient to form a
24 belief as to the truth of the allegations in Paragraph 104, and therefore denies them.

25 105. TicketNetwork lacks knowledge or information sufficient to form a
26 belief as to the truth of the allegations in Paragraph 105, and therefore denies them.

27 106. TicketNetwork denies the allegations in Paragraph 106 related to
28 TicketNetwork and lacks knowledge or information sufficient to form a belief as to

1 the truth of the allegations against other Defendants and therefore denies them.

2 107. TicketNetwork denies the allegations in Paragraph 107 related to
3 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
4 the truth of the allegations against other Defendants and therefore denies them. In
5 addition, while TicketNetwork is not involved with bypassing any AXS security or
6 access control measures, TicketNetwork denies that doing so for the purpose of
7 resale renders a ticket “counterfeit.”

8 108. TicketNetwork does not have control over third parties, and on
9 information and belief AXS is aware of this. In addition, TicketNetwork objects to
10 AXS’s reference to settlement discussions that were designated under Rule 408, but
11 to the extent such discussions are admissible, TicketNetwork gave AXS a copy of
12 its broker guidebook. This guidebook shows the rules that brokers must follow when
13 using TicketNetwork’s service, but TicketNetwork does not control them.
14 TicketNetwork otherwise denies the allegations in Paragraph 108 related to
15 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
16 the truth of the allegations against other Defendants and therefore denies them. In
17 addition, while TicketNetwork is not involved with bypassing any AXS security or
18 access control measures, TicketNetwork denies that doing so for the purpose of
19 resale renders a ticket “counterfeit.”

20 109. TicketNetwork denies the allegations in Paragraph 109 related to
21 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
22 the truth of the allegations against other Defendants and therefore denies them. In
23 addition, while TicketNetwork is not involved with bypassing any AXS security or
24 access control measures, TicketNetwork denies that doing so for the purpose of
25 resale renders a ticket “counterfeit.”

26 110. TicketNetwork denies the allegations in Paragraph 110 related to
27 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
28 the truth of the allegations against other Defendants and therefore denies them. In

1 addition, while TicketNetwork is not involved with bypassing any AXS security or
2 access control measures, TicketNetwork denies that doing so for the purpose of
3 resale renders a ticket “counterfeit.”

4 111. TicketNetwork denies the allegations in Paragraph 111 related to
5 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
6 the truth of the allegations against other Defendants and therefore denies them.

7 112. TicketNetwork denies the allegations in Paragraph 112 related to
8 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
9 the truth of the allegations against other Defendants and therefore denies them.

10 113. TicketNetwork denies the allegations in Paragraph 113 related to
11 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
12 the truth of the allegations against other Defendants and therefore denies them.

13 114. TicketNetwork denies the allegations in Paragraph 114 related to
14 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
15 the truth of the allegations against other Defendants and therefore denies them.

16 115. TicketNetwork denies the allegations in Paragraph 115 related to
17 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
18 the truth of the allegations against other Defendants and therefore denies them.

19 116. TicketNetwork denies the allegations in Paragraph 116 related to
20 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
21 the truth of the allegations against other Defendants and therefore denies them.

22 **“Second Cause of Action (All Defendants)”**

23 **[Alleged] Violation of Digital Millennium Copyright Act Under 17 U.S.C.**

24 **§ 1201”**

25 117. In response to Paragraph 117, TicketNetwork incorporates by reference
26 its responses to the proceeding paragraphs of the Complaint as though fully restated
27 herein.

28 118. TicketNetwork lacks knowledge or information sufficient to form a

1 belief as to the truth of the allegations in Paragraph 118, and therefore denies them.

2 119. TicketNetwork lacks knowledge or information sufficient to form a
3 belief as to the truth of the allegations in Paragraph 119, and therefore denies them.

4 120. TicketNetwork denies the allegations in Paragraph 120 related to
5 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
6 the truth of the allegations against other Defendants and therefore denies them. In
7 addition, while TicketNetwork is not involved with bypassing any AXS security or
8 access control measures, TicketNetwork denies that doing so for the purpose of
9 resale renders a ticket “counterfeit.”

10 121. TicketNetwork denies the allegations in Paragraph 121 related to
11 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
12 the truth of the allegations against other Defendants and therefore denies them.

13 122. TicketNetwork denies the allegations in Paragraph 122 related to
14 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
15 the truth of the allegations against other Defendants and therefore denies them.

16 123. TicketNetwork denies the allegations in Paragraph 123 related to
17 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
18 the truth of the allegations against other Defendants and therefore denies them.

19 124. TicketNetwork denies the allegations in Paragraph 124 related to
20 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
21 the truth of the allegations against other Defendants and therefore denies them.

22 **“Third Cause of Action (All Defendants)”**

23 **[Alleged] Trademark Counterfeiting Under 15 U.S.C. § 1114, et seq.”**

24 125. In response to Paragraph 125, TicketNetwork incorporates by reference
25 its responses to the proceeding paragraphs of the Complaint as though fully restated
26 herein.

27 126. TicketNetwork lacks knowledge or information sufficient to form a
28 belief as to the truth of the allegations in Paragraph 126, and therefore denies them.

1 127. TicketNetwork denies the allegations in Paragraph 127 related to
2 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
3 the truth of the allegations against other Defendants and therefore denies them. In
4 addition, while TicketNetwork is not involved with bypassing any AXS security or
5 access control measures, TicketNetwork denies that doing so for the purpose of
6 resale renders a ticket “counterfeit.”

7 128. TicketNetwork denies the allegations in Paragraph 128 related to
8 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
9 the truth of the allegations against other Defendants and therefore denies them. In
10 addition, while TicketNetwork is not involved with bypassing any AXS security or
11 access control measures, TicketNetwork denies that doing so for the purpose of
12 resale renders a ticket “counterfeit.”

13 129. TicketNetwork denies the allegations in Paragraph 129 related to
14 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
15 the truth of the allegations against other Defendants and therefore denies them. In
16 addition, while TicketNetwork is not involved with bypassing any AXS security or
17 access control measures, TicketNetwork denies that doing so for the purpose of
18 resale renders a ticket “counterfeit.”

19 130. TicketNetwork denies the allegations in Paragraph 130 related to
20 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
21 the truth of the allegations against other Defendants and therefore denies them.

22 131. TicketNetwork denies the allegations in Paragraph 131 related to
23 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
24 the truth of the allegations against other Defendants and therefore denies them.

25 **“Fourth Cause of Action (All Defendants)”**

26 **[Alleged] Trademark Infringement Under 15 U.S.C. § 1114, et seq.”**

27 132. In response to Paragraph 132, TicketNetwork incorporates by reference
28 its responses to the proceeding paragraphs of the Complaint as though fully restated

1 herein.

2 133. TicketNetwork lacks knowledge or information sufficient to form a
3 belief as to the truth of the allegations in Paragraph 133, and therefore denies them.

4 134. TicketNetwork denies the allegations in Paragraph 134 related to
5 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
6 the truth of the allegations against other Defendants and therefore denies them.

7 135. TicketNetwork denies the allegations in Paragraph 135 related to
8 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
9 the truth of the allegations against other Defendants and therefore denies them.

10 136. TicketNetwork denies the allegations in Paragraph 136 related to
11 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
12 the truth of the allegations against other Defendants and therefore denies them.

13 137. TicketNetwork denies the allegations in Paragraph 137 related to
14 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
15 the truth of the allegations against other Defendants and therefore denies them.

16 138. TicketNetwork denies the allegations in Paragraph 138 related to
17 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
18 the truth of the allegations against other Defendants and therefore denies them.

19 **“Fifth Cause of Action (All Defendants)**

20 **[Alleged] Unfair Competition and False Designation of Origin Under 15 U.S.C.**

21 **§ 1125, et seq.”**

22 139. In response to Paragraph 139, TicketNetwork incorporates by reference
23 its responses to the proceeding paragraphs of the Complaint as though fully restated
24 herein.

25 140. TicketNetwork lacks knowledge or information sufficient to form a
26 belief as to the truth of the allegations in Paragraph 140, and therefore denies them.

27 141. TicketNetwork denies the allegations in Paragraph 141 related to
28 TicketNetwork and lacks knowledge or information sufficient to form a belief as to

1 the truth of the allegations against other Defendants and therefore denies them.

2 142. TicketNetwork denies the allegations in Paragraph 142 related to
3 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
4 the truth of the allegations against other Defendants and therefore denies them.

5 143. TicketNetwork denies the allegations in Paragraph 143 related to
6 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
7 the truth of the allegations against other Defendants and therefore denies them.

8 144. TicketNetwork denies the allegations in Paragraph 144 related to
9 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
10 the truth of the allegations against other Defendants and therefore denies them.

11 145. TicketNetwork denies the allegations in Paragraph 145 related to
12 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
13 the truth of the allegations against other Defendants and therefore denies them.

14 **“Sixth Cause of Action (All Defendants)**

15 **[Alleged] State Statutory Unfair Competition Under Cal. Bus. & Prof. Code**
16 **§ 17200, et seq.”**

17 146. In response to Paragraph 146, TicketNetwork incorporates by reference
18 its responses to the proceeding paragraphs of the Complaint as though fully restated
19 herein.

20 147. TicketNetwork lacks knowledge or information sufficient to form a
21 belief as to the truth of the allegations in Paragraph 147, and therefore denies them.

22 148. TicketNetwork denies the allegations in Paragraph 148 related to
23 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
24 the truth of the allegations against other Defendants and therefore denies them.

25 149. TicketNetwork denies the allegations in Paragraph 149 related to
26 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
27 the truth of the allegations against other Defendants and therefore denies them.

28 150. TicketNetwork denies the allegations in Paragraph 150 related to

1 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
2 the truth of the allegations against other Defendants and therefore denies them.

3 151. TicketNetwork denies the allegations in Paragraph 151 related to
4 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
5 the truth of the allegations against other Defendants and therefore denies them.

6 **“Seventh Cause of Action (All Defendants)**

7 **[Alleged] Common Law False Designation of Origin & Unfair Competition”**

8 152. In response to Paragraph 152, TicketNetwork incorporates by reference
9 its responses to the proceeding paragraphs of the Complaint as though fully restated
10 herein.

11 153. TicketNetwork lacks knowledge or information sufficient to form a
12 belief as to the truth of the allegations in Paragraph 153, and therefore denies them.

13 154. TicketNetwork denies the allegations in Paragraph 154 related to
14 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
15 the truth of the allegations against other Defendants and therefore denies them.

16 155. TicketNetwork denies the allegations in Paragraph 155 related to
17 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
18 the truth of the allegations against other Defendants and therefore denies them.

19 156. TicketNetwork denies the allegations in Paragraph 156 related to
20 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
21 the truth of the allegations against other Defendants and therefore denies them.

22 157. TicketNetwork denies the allegations in Paragraph 157 related to
23 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
24 the truth of the allegations against other Defendants and therefore denies them.

25 158. TicketNetwork denies the allegations in Paragraph 158 related to
26 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
27 the truth of the allegations against other Defendants and therefore denies them.

“Eighth Cause of Action
(Against Defendants ETC, TNI and VBD)
[Alleged] Civil Conspiracy”

159. In response to Paragraph 159, TicketNetwork incorporates by reference its responses to the proceeding paragraphs of the Complaint as though fully restated herein.

160. TicketNetwork denies the allegations in Paragraph 160 related to TicketNetwork and lacks knowledge or information sufficient to form a belief as to the truth of the allegations against other Defendants and therefore denies them. In addition, while TicketNetwork is not involved with bypassing any AXS security or access control measures, TicketNetwork denies that doing so for the purpose of resale renders a ticket “counterfeit.”

161. TicketNetwork denies the allegations in Paragraph 161 related to TicketNetwork and lacks knowledge or information sufficient to form a belief as to the truth of the allegations against other Defendants and therefore denies them. In addition, while TicketNetwork is not involved with bypassing any AXS security or access control measures, TicketNetwork denies that doing so for the purpose of resale renders a ticket “fraudulent.”

162. TicketNetwork denies that it has committed any alleged wrongdoing described in the Complaint. TicketNetwork provides ticket listing services to ETC under contract; there is no further “plan” or relationship. On information and belief, AXS knows this. TicketNetwork also denies that it delivers tickets, and on information and belief ETC only markets on its website and is not involved in distribution of tickets. TicketNetwork otherwise denies the allegations in Paragraph 162. In addition, while TicketNetwork is not involved with bypassing any AXS security or access control measures, TicketNetwork denies that doing so for the purpose of resale renders a ticket “counterfeit.”

163. TicketNetwork denies that it has committed any alleged wrongdoing

1 described in the Complaint. TicketNetwork provides ticket listing services to ETC
2 under contract; there is no further “plan” or relationship. On information and belief,
3 AXS knows this. TicketNetwork otherwise denies the allegations in Paragraph 163.
4 In addition, while TicketNetwork is not involved with bypassing any AXS security
5 or access control measures, TicketNetwork denies that doing so for the purpose of
6 resale renders a ticket “fraudulent.”

7 164. TicketNetwork denies the allegations in Paragraph 164 related to
8 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
9 the truth of the allegations against other Defendants and therefore denies them. In
10 addition, while TicketNetwork is not involved with bypassing any AXS security or
11 access control measures, TicketNetwork denies that doing so for the purpose of
12 resale renders a ticket “counterfeit.”

13 165. TicketNetwork denies the allegations in Paragraph 165 related to
14 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
15 the truth of the allegations against other Defendants and therefore denies them.

16 166. TicketNetwork denies the allegations in Paragraph 166 related to
17 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
18 the truth of the allegations against other Defendants and therefore denies them.

19 **“Ninth Cause of Action (All Defendants)**

20 **[Alleged] Breach of Contract”**

21 167. In response to Paragraph 167, TicketNetwork incorporates by reference
22 its responses to the proceeding paragraphs of the Complaint as though fully restated
23 herein.

24 168. TicketNetwork denies the allegations in Paragraph 168 related to
25 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
26 the truth of the allegations against other Defendants and therefore denies them.

27 169. TicketNetwork denies the allegations in Paragraph 169 related to
28 TicketNetwork and lacks knowledge or information sufficient to form a belief as to

1 the truth of the allegations against other Defendants and therefore denies them.

2 170. TicketNetwork denies the allegations in Paragraph 170 related to
3 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
4 the truth of the allegations against other Defendants and therefore denies them.

5 171. TicketNetwork denies the allegations in Paragraph 171 related to
6 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
7 the truth of the allegations against other Defendants and therefore denies them.

8 172. TicketNetwork denies the allegations in Paragraph 172 related to
9 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
10 the truth of the allegations against other Defendants and therefore denies them.

11 173. TicketNetwork denies the allegations in Paragraph 173 related to
12 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
13 the truth of the allegations against other Defendants and therefore denies them.

14 174. TicketNetwork denies the allegations in Paragraph 174 related to
15 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
16 the truth of the allegations against other Defendants and therefore denies them. In
17 addition, while TicketNetwork is not involved with bypassing any AXS security or
18 access control measures, TicketNetwork denies that doing so for the purpose of
19 resale renders a ticket “counterfeit.”

20 175. TicketNetwork denies the allegations in Paragraph 175 related to
21 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
22 the truth of the allegations against other Defendants and therefore denies them.

23 176. TicketNetwork denies the allegations in Paragraph 176 related to
24 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
25 the truth of the allegations against other Defendants and therefore denies them.

26 177. TicketNetwork denies the allegations in Paragraph 177 related to
27 TicketNetwork and lacks knowledge or information sufficient to form a belief as to
28 the truth of the allegations against other Defendants and therefore denies them.

1 **VIII. “PRAYER FOR RELIEF”**

2 The section of the Complaint titled “Prayer for Relief” sets forth the statement
3 of relief requested by AXS to which no response is required. TicketNetwork denies
4 that AXS is entitled to any relief sought in its Prayer for Relief or otherwise. In
5 addition, while TicketNetwork is not involved with bypassing any AXS security or
6 access control measures, TicketNetwork denies that doing so for the purpose of
7 resale renders a ticket “counterfeit.”

8 **VIII. AFFIRMATIVE AND ADDITIONAL DEFENSES**

9 178. In response to Paragraph 178, TicketNetwork incorporates by reference
10 the foregoing paragraphs in their entirety and asserts the following affirmative and
11 additional defenses. By asserting these affirmative and additional defenses,
12 TicketNetwork does not admit that it bears the burden of proof on any issue and does
13 not accept any burden it would not otherwise bear. TicketNetwork reserves all
14 affirmative defenses permitted under the Federal Rules of Civil Procedure, the
15 Copyright and Trademark Laws of the United States, the state and federal laws cited
16 in the Complaint, and/or at law or in equity that may now exist, or in the future be
17 available, based on discovery and further investigation in this case, as well as the
18 right to amend this Answer to include those defenses. Pursuant to Federal Rule of
19 Civil Procedure 8(c), TicketNetwork, without waiver, limitation, or prejudice,
20 hereby asserts the following affirmative and additional defenses.

21 **FIRST AFFIRMATIVE OR ADDITIONAL DEFENSE**

22 **(Fair Use)**

23 Plaintiff is not entitled to any relief because the accused conduct is protected
24 by the fair use doctrine. For example, in *Sega Enterprises Ltd. v. Accolade, Inc.*,
25 977 F.2d 1510 (9th Cir. 1992), the Ninth Circuit held that the doctrine of fair use
26 prevents the use of both copyright and trademark law to restrict access to the
27 functional aspects of a product. Here, it appears Plaintiff is attempting to use
28 copyright and trademark to restrict access to functional aspects of event tickets, such

1 as the ability to enter an event. However, TicketNetwork has no knowledge of or
2 involvement in the alleged infringements.

3 **SECOND AFFIRMATIVE OR ADDITIONAL DEFENSE**

4 **(No Injunctive Relief)**

5 Plaintiff is not entitled to injunctive relief because any alleged injury to
6 Plaintiff—there is none—is neither immediate nor irreparable and Plaintiff has an
7 adequate remedy at law.

8 **THIRD AFFIRMATIVE OR ADDITIONAL DEFENSE**

9 **(Equitable Defenses)**

10 Plaintiff's claims against TicketNetwork are barred in whole or in part by one
11 or more of the equitable doctrines of acquiescence, estoppel, waiver, and unclean
12 hands.

13 **FOURTH AFFIRMATIVE OR ADDITIONAL DEFENSE**

14 **(Laches)**

15 Plaintiff's claims against TicketNetwork are barred in whole or in part by the
16 doctrine of laches.

17 **FIFTH AFFIRMATIVE OR ADDITIONAL DEFENSE**

18 **(No Trademark Infringement)**

19 TicketNetwork has not infringed any valid, enforceable trademark of Plaintiff
20 under the Lanham Act or state law.

21 **SIXTH AFFIRMATIVE OR ADDITIONAL DEFENSE**

22 **(No Trademark Counterfeiting)**

23 TicketNetwork has not counterfeited any valid, enforceable trademark of
24 Plaintiff under the Lanham Act or state law.

25 **SEVENTH AFFIRMATIVE OR ADDITIONAL DEFENSE**

26 **(No False Designation of Origin and Unfair Competition)**

27 TicketNetwork has not engaged in any false designation of origin or unfair
28 competition under the Lanham Act or state law.

EIGHTH AFFIRMATIVE OR ADDITIONAL DEFENSE

(No Likelihood of Confusion)

There is no likelihood of consumer confusion based on the allegations of the Complaint.

NINTH AFFIRMATIVE OR ADDITIONAL DEFENSE

(No Willfulness or Malicious Conduct)

None of TicketNetwork alleged actions were willful or malicious.

TENTH AFFIRMATIVE OR ADDITIONAL DEFENSE

(Narrow Scope of Protection)

Given the generic nature of Plaintiff's mark, it is afforded only a narrow scope of protection, if any.

ELEVENTH AFFIRMATIVE OR ADDITIONAL DEFENSE

(No Remedies or Damages)

TicketNetwork has not committed any acts resulting in any damages against Plaintiff or any remedies owed to Plaintiff.

TWELFTH AFFIRMATIVE OR ADDITIONAL DEFENSE

(Failure to Mitigate)

Plaintiff's claims are barred, in whole or in part, as a result of its failure to mitigate damages, if any.

THIRTEENTH AFFIRMATIVE OR ADDITIONAL DEFENSE

(No Contract)

TicketNetwork has entered no contract with Plaintiff.

FOURTEENTH AFFIRMATIVE OR ADDITIONAL DEFENSE

(Failure to State a Claim)

Plaintiff has failed to state a claim against TicketNetwork upon which relief can be granted.

FIFTEENTH AFFIRMATIVE OR ADDITIONAL DEFENSE

(No Standing)

1 Plaintiff lacks standing because it has failed to join necessary and
2 indispensable parties, including without limitation the alleged infringers of its
3 intellectual property.

4 **SIXTEENTH AFFIRMATIVE OR ADDITIONAL DEFENSE**
5 **(No Control)**

6 Plaintiff has failed to state a claim against TicketNetwork because it has not,
7 and cannot, allege that TicketNetwork controls the alleged infringers of Plaintiff's
8 intellectual property.

9 **SEVENTEENTH AFFIRMATIVE OR ADDITIONAL DEFENSE**
10 **(Section 230)**

11 Plaintiff has failed to state a claim against TicketNetwork because "[n]o
12 provider or user of an interactive computer service shall be treated as the publisher
13 or speaker of any information provided by another information content
14 provider." 47 U.S.C. § 230.

15 **EIGHTEENTH AFFIRMATIVE OR ADDITIONAL DEFENSE**
16 **(Unclean Hands)**

17 On information and belief, AXS knows that TicketNetwork is not involved in
18 any of the misconduct alleged in the Complaint, that TicketNetwork has not entered
19 any contract with AXS, and that TicketNetwork does not infringe any of AXS's
20 trademarks or copyrights, yet AXS continues to pursue this litigation, apparently as
21 a vehicle for identifying other parties. This is not a proper use of the federal courts.
22 Additionally, AXS has unclean hands because it uses its trademarks and copyrights
23 as a means of unfairly suppressing and restricting the free resale of tickets in the
24 Secondary Ticket Sales Market, as explained throughout this answer and
25 counterclaims.

1 **NINETEENTH AFFIRMATIVE OR ADDITIONAL DEFENSE**
2 **(First Sale Doctrine)**

3 Under the first sale doctrine, any right AXS has to control the distribution of
4 its purportedly trademarked and copyright product (i.e., tickets first sold under
5 AXS's ticketing sales scheme) does not extend beyond the first sale of the ticket.
6 *See, e.g.,* 17 U.S.C. § 109; *Sebastian Int'l, Inc. v. Longs Drug Stores Corp.*, 53 F.3d
7 1073, 1074 (9th Cir. 1995). For the express purpose of controlling the downstream
8 distribution of its products to the ultimate ticket buyers and eliminating "diversion"
9 to unauthorized retailers (i.e., those other than AXS itself), AXS seeks to avoid the
10 "first sale" rule and enjoin TicketNetwork from providing a platform for reselling
11 tickets that are rightly resold using TicketNetwork's platform in the Secondary
12 Ticket Sales Market. Thus, TicketNetwork is not liable for trademark and/or
13 copyright infringement by providing a platform for the resale of tickets in the
14 Secondary Ticket Sales Market because AXS has no right to enforce its purported
15 trademarks and copyrights beyond the first sale/purchase of a ticket.

16 **TWENTIETH AFFIRMATIVE OR ADDITIONAL DEFENSE**
17 **(Trademark and/or Copyright Misuse)**

18 On information and belief, filed this action for the improper purpose of stifling
19 competition knowing that TicketNetwork did not violate AXS's trademarks and/or
20 copyrights. Additionally, AXS misuses its trademarks and/or copyrights because it
21 uses its them as a means of unlawfully and unfairly suppressing and restricting the
22 free resale of tickets in the Secondary Ticket Sales Market, as explained above in
23 connection with TicketNetwork's first sales doctrine defense and throughout this
24 answer and counterclaims.

25 **RESERVATION OF ALL AFFIRMATIVE AND ADDITIONAL DEFENSES**

26 TicketNetwork hereby gives notice that it intends to rely upon any other
27 matter constituting an avoidance or affirmative defense as set forth in Rule 8(c) of
28 the Federal Rules of Civil Procedure, and that it reserves the right to seek leave to

1 amend this Answer to add to, amend, withdraw, or modify these defenses as its
2 investigation continues and as discovery may require.

3 **COUNTERCLAIMS**

4 Defendant TicketNetwork, Inc. (“TicketNetwork”) by and through its
5 attorneys, counterclaims and alleges against Plaintiff AXS Group LLC’s (“AXS” or
6 “Plaintiff”) as follows:

7 **ACTS GIVING RISE TO COUNTERCLAIMS**

8 1. TicketNetwork incorporates by reference its Introduction section above
9 as if fully set forth here.

10 2. TicketNetwork is a high-tech leader in the ticketing industry, operating
11 an online marketplace that provides a platform for ticket sellers and buyers to
12 exchange purchased tickets in an open and free online market. This type of resale is
13 also referred to the “Secondary Ticket Sales Market.” TicketNetwork is not a ticket-
14 buying bot, and does not buy, resell, or scalp tickets.

15 3. In addition to its own website, TicketNetwork allows its inventory of
16 tickets to be sold through affiliate and other websites. Through its flagship product,
17 the TicketNetwork® Point-of-Sale, and its other innovative solutions,
18 TicketNetwork powers a vast network of websites that enable buyers and sellers to
19 exchange tickets to thousands of events. TicketNetwork’s software and services are
20 used by fans looking for concerts and other shows every day.

21 4. On information and belief, AXS operates on a business model that is
22 different than TicketNetwork’s. Rather than selling in a free market system, AXS
23 contracts with event organizers or venues to sell tickets on an exclusive basis. On
24 information and belief, AXS has deployed technical and legal means to force
25 customers to resell tickets through AXS’s own website or app, such that AXS can
26 control prices and charge even more fees. AXS’s ticketing process and requirements
27 for reselling tickets purchased through AXS unfairly restricts the sale, resale, and
28 marketing of the tickets in a free market in violation of many state laws.

5. TicketNetwork is injured by AXS's unlawful restriction of the resale of tickets because it restricts the population of tickets available for resale on TicketNetwork's platforms, thereby reducing traffic to TicketNetwork's websites and suppressing TicketNetwork's revenue.

PARTIES

6. Counterclaim Plaintiff TicketNetwork is a Delaware corporation with an address at 75 Gerber Road East, South Windsor, CT 06074.

7. On information and belief, Counterclaim Defendant AXS is a limited liability company organized under the laws of the state of Delaware and has its principal place of business at 425 W. 11th Street, Los Angeles, CA 90015.

JURISDICTION AND VENUE

8. This Court has subject matter jurisdiction over this case pursuant to AXS's claims under 28 U.S.C. § 1331 and § 1338 concerning the Copyright Act, 17 U.S.C. § 101 et seq., and the Lanham Act, 15 U.S.C. § 1051 et seq. This Court has supplemental jurisdiction over all state claims under 28 U.S.C. § 1367 because all state law claims asserted herein are related to the same controversy of AXS unfairly and unlawfully restricting the resale of tickets on the Secondary Ticket Sales Market, including sales on TicketNetwork's platform and websites, which purportedly give rise to AXS's federal causes of action.

9. This Court has personal jurisdiction over AXS because, among other reasons, AXS has subjected itself to the jurisdiction of this Court at least by commencing the present action for patent infringement against TicketNetwork in this District. This Court also has personal jurisdiction over AXS because AXS has its principal place of business in Los Angeles, within this District. ECF No. 84, ¶ 10.

10. Venue is proper in this District under 28 U.S.C. § 1391 and/or § 1400 at least because AXS resides in this District.

COUNT I

Violation of Colorado Consumer and Commercial Affairs Law § 6-1-718

11. TicketNetwork realleges the foregoing paragraphs of its counterclaims and introduction as if fully set forth herein.

12. On information and belief, AXS cancels or revokes the ticket of customers who legally resell those same legally purchased tickets outside of AXS's platform, including tickets legally resold on TicketNetwork's platform.

13. On information and belief, AXS's ticketing policies work to deny access to an event based solely on the ground that the ticket was resold through a reseller that was not approved by AXS in violation of Colo. Rev. Stat. § 6-1-718(4).

14. TicketNetwork is harmed by AXS's unlawful restriction of the resale of tickets because it restricts the population of tickets available for resale on TicketNetwork's platforms, thereby reducing traffic to TicketNetwork's websites and suppressing TicketNetwork's revenue and is entitled to damages or any other remedy the court deems appropriate.

COUNT II

Violation of Conn. Gen. Stat. § 53-289d and/or Unfair or Deceptive Act in The Conduct of Trade or Commerce Under Subsection (A) of § 42-110b

15. TicketNetwork realleges the foregoing paragraphs of its counterclaims and introduction as if fully set forth herein.

16. On information and belief, AXS has deployed technical and legal means to force customers to resell tickets through AXS's own website or app, such that AXS can control prices and charge additional fees on top of those charged during the initial ticket purchase.

17. On information and belief, AXS's ticketing policies fail to give ticket purchasers an option to purchase tickets that the purchaser may transfer to any party, at any price and at any time, without additional fees.

18. On information and belief, AXS's does not offer a ticket purchaser at

1 the time of the initial sale the option to purchase the same tickets in another form
2 that is transferrable, independent of such a ticketing sales system, including, but not
3 limited to, paper tickets or e-tickets and without additional fees, regardless of the
4 form or transferability of such tickets in violation on Connecticut Statute § 53-289d
5 and/or Connecticut's unfair or deceptive act in the conduct of trade or commerce
6 under subsection (a) of § 42-110b.

7 19. TicketNetwork is harmed by AXS's unlawful restriction of the resale
8 of tickets because it restricts the population of tickets available for resale on
9 TicketNetwork's platforms, thereby reducing traffic to TicketNetwork's websites
10 and suppressing TicketNetwork's revenue and is entitled to damages or any other
11 remedy the court deems appropriate.

12 **COUNT III**

13 **Violation of New York Arts & Cult. Aff. Law § 25.30**

14 20. TicketNetwork realleges the foregoing paragraphs of its counterclaims
15 and introduction as if fully set forth herein.

16 21. AXS employs a ticketing system that prohibits the purchaser from
17 transferring an AXS ticket at any price, and at any time, and without additional fees,
18 independent of the AXS or its agents thereby restricting the resale of tickets in
19 violation of New York ACAL § 25.30.

20 22. AXS's does not offer a ticket purchaser at the time of the initial sale the
21 option to purchase the same tickets in another form that is transferrable, independent
22 of such a ticketing sales system, including, but not limited to, paper tickets or e-
23 tickets and without additional fees, regardless of the form or transferability of such
24 tickets in violation of New York ACAL § 25.30.

25 23. TicketNetwork is harmed by AXS's violation of New York law through
26 its unlawful restriction of the resale of tickets. AXS's unlawful actions restricts the
27 population of tickets available for resale on TicketNetwork's platforms, thereby
28 reducing traffic to TicketNetwork's websites and suppressing TicketNetwork's

1 revenue and is entitled to damages or any other remedy the court deems appropriate.

2 **COUNT IV**

3 **Violation of California Consumer Legal Remedies Act**

4 **Cal. Civ.Code § 1750, et seq.**

5 24. TicketNetwork realleges the foregoing paragraphs of its counterclaims
6 and introduction as if fully set forth herein.

7 25. California Civil Code Section 1750, *et seq.*, titled Consumers Legal
8 Remedies Act (“CLRA”), provides a list of proscribed “unfair or deceptive”
9 practices in a “transaction” relating to the sale of “goods” and/or services to a
10 “consumer” that are unlawful. The California Legislature explained that the CLRA
11 is to “be liberally construed and applied to promote its underlying purposes, which
12 are to protect consumers against unfair and deceptive business practices and to
13 provide efficient and economical procedures to secure such protection.” Cal. Civ.
14 Code § 1760.

15 26. AXS’s actions, representations, and conduct violate the CLRA because
16 AXS’s transactions are intended to result or have resulted in the sale of services
17 and/or goods to consumers that are unlawful. AXS sells tickets for entertainment
18 events to consumers in the Primary Ticket Sales Market, constituting sales of a
19 “good” and/or “service” to “consumers” within the meaning of the CLRA. Cal. Civ.
20 Code § 1761(a), (b), (d). Those ticket buyers then attempt to lawfully resell those
21 tickets on TicketNetwork’s platforms but cannot do so because of AXS’s unfair and
22 unlawful business practices that restrict ticket sales in the Secondary Ticket Sales
23 Market. AXS’s unfair restriction of the Secondary Ticket Sales Market directly
24 results in TicketNetwork losing business and harm to consumers by way of limiting
25 the free enjoyment, including the resale, of their lawfully purchased ticket.

26 27. By restricting the resale of tickets legally purchased, on information
27 and belief, AXS’s acts and practices violated and continue to violate the CLRA by
28 representing that a transaction confers or involves rights, remedies, or obligations

1 which it does not have or involve, or which are prohibited by law in violation of Civ.
2 Code § 1770(a)(14), and by inserting an unconscionable provision in the ticket sales
3 contract in violation of Civ. Code § 1770(a)(19).

4 28. On information and belief, AXS's violations of the CLRA were done
5 with awareness of the fact that their conduct is restricting the resale of tickets,
6 including requiring additional fees for the resale of tickets already paid for inclusive
7 of AXS's fees, was wrongful and motivated solely by AXS's self-interest, monetary
8 gain, and increased profit. Further, AXS engaged in such unlawful, unfair, and
9 unconscionable actions despite knowing the harm that would result to businesses in
10 the Secondary Ticket Sales Market, including economic injury to TicketNetwork, in
11 addition to harming the ticket buying public.

12 29. TicketNetwork is injured by AXS's unlawful restriction of the resale of
13 tickets because it restricts the population of tickets available for resale on
14 TicketNetwork's platforms, thereby reducing traffic to TicketNetwork's websites
15 and suppressing TicketNetwork's revenue.

16 **COUNT V**

17 **Violation of California Unfair Competition Law**

18 **Cal. Bus. & Prof. Code § 17200, et seq.**

19 30. TicketNetwork realleges the foregoing paragraphs of its counterclaims
20 and introduction as if fully set forth herein.

21 31. AXS's actions constitute unlawful acts or practices in the conduct of a
22 business in violation of Cal. Bus. & Prof. Code § 17200. The violation of any state
23 or local law is sufficient to satisfy the UCL's "unlawful" prong. AXS's actions are
24 unlawful for at least the reasons described above with respect to Colorado,
25 Connecticut, and New York laws protecting the right to resell tickets legally
26 purchased and California CLRA.

27 32. AXS's actions also constitute unfair acts or practices in the conduct of
28 a business in violation of Cal. Bus. & Prof. Code § 17200. AXS's practices

1 prohibiting the free resale of tickets lawfully purchased through AXS are unfair
2 because they offend established public policy and are immoral, unethical,
3 oppressive, unscrupulous, and substantially injurious to TicketNetwork's business
4 by effectively restricting the sale of goods in the open market and shrinking the
5 resale market overall that makes up TicketNetwork's business.

6 33. Additionally, AXS's practices are unfair because they significantly
7 threaten and/or harm competition by denying online marketplaces and platforms,
8 like TicketNetwork's, business by making it difficult—if not impossible—for ticket
9 holders to sell their lawfully purchased tickets in the Secondary Ticket Sales Market.
10 AXS's ticketing policies allow AXS to monopolize the Secondary Ticket Sales
11 Market for tickets purchased through AXS—tickets that consumers often have no
12 other means of purchasing but through AXS.

13 34. Without tickets to sell on its online marketplace, TicketNetwork makes
14 less money from advertising and cannot compete in the Secondary Ticket Sales
15 Market as effectively.

16 35. AXS's retained or prevented ticket sales that would have happened on
17 TicketNetwork's marketplace but for AXS's unfair and unlawful restriction of the
18 ticket resale market

19 36. On information and belief, AXS has engaged to leverage its dominance
20 in the primary ticket sales market because of its issuance of special coded, paperless
21 tickets. These virtual tickets allow entry to the game or event only by using AXS's
22 application on a phone. Transferring or reselling these tickets is only possible
23 through AXS's secondary ticket market exchange platform. According to the
24 independent American Antitrust Institute, "[i]nstead of benefiting consumers, the
25 trend favoring paperless tickets appears to be motivated by a desire of the dominant
26 primary ticket provider to block out competition in the secondary ticket (resale)
27 market." These practices are all unfair within the meaning of Section 17200 of
28 California's Unfair Competition Law.

37. As a result of AXS's unlawful and unfair business practices, AXS has caused substantial economic injury to TicketNetwork in an amount not presently known with precision but which is, at a minimum, hundreds of thousands of dollars in lost sales, profits, and additional costs associated with cancelled and revoked tickets.

38. AXS's unlawful and unfair business practices are continuing and will continue unless relief enjoining these practices is granted under Section 17204 of the UCL.

COUNT VI

Interference with TicketNetwork's Prospective Economic Advantage

39. TicketNetwork realleges the foregoing paragraphs of its counterclaims and introduction as if fully set forth herein.

40. TicketNetwork has an economic relationship with AXS whereby TicketNetwork allows ticket purchasers to resell tickets, including AXS tickets, on its online marketplace and platforms.

41. AXS is aware of this relationship at least because it has brought alleged claims against TicketNetowrk for allowing tickets bought through AXS to be resold on TicketNetwork's online platform.

42. On information and belief, AXS intentionally attempts to prohibit and has actually prohibited the resale of AXS tickets on TicketNetwork's online marketplace and platforms thereby disrupting this relationship by suing TicketNetwork and attempting to restrict and actually restricting AXS ticket sales on TicketNetwork's online marketplace.

43. TicketNetwork has been damaged by AXS actions in the form of lost sales and profits.

COUNT VII

Unjust Enrichment

44. TicketNetwork realleges the foregoing paragraphs of its counterclaims

1 and introduction as if fully set forth herein.

2 45. In the alternative to the foregoing remedies at law, through its
3 prohibition on ticket resale in an open market, AXS knowingly acted in an
4 unconscionable, unfair, and oppressive manner towards TicketNetwork, violating
5 fundamental principles of justice, equity, and good conscience.

6 46. AXS's conduct benefits AXS through the accumulation of additional
7 fees payable to AXS for the resale of tickets initially purchased using AXS's ticket
8 selling platforms. AXS induces ticket purchasers to use AXS's services and purchase
9 products through unfair and unlawful business practices. AXS prohibition on the
10 free resale of tickets in violation of numerous state laws directly harms ticket
11 purchasers and TicketNetwork's business to AXS's benefit. And AXS has accepted
12 and intentionally retained those benefits at the expense of TicketNetwork and the
13 ticket buying public. As a result, AXS has been unjustly enriched by retaining the
14 monies earned by unfairly and unlawfully restricting the resale of tickets on the
15 Secondary Ticket Sales Market.

16 47. If TicketNetwork has no adequate remedy at law, the Court can and
17 should compel AXS to disgorge all inequitable proceeds, i.e., money made from
18 secondary ticket sales.

19 **PRAYER FOR RELIEF**

20 TicketNetwork prays as follows:

- 21 1. That AXS takes nothing by way of its Complaint;
- 22 2. A judgment dismissing AXS's Complaint;
- 23 3. That TicketNetwork recover attorneys' fees, expert fees and
24 investigator fees;
- 25 4. That TicketNetwork recover costs of suit herein; and
- 26 5. That the Court award such other and further relief as it deems
27 appropriate.

1 On its counterclaims, TicketNetwork respectfully requests that the Court grant
2 the following further relief against AXS

- 3 6. That the Court find and declare that AXS has violated Colo. Rev. Stat.
4 § 6-1-718(4), Conn. Gen. Stat. Ann. § 53-289d and/or subsection (a) of
5 § 42-110b, ACAL § 25.30, the CLRA, the UCL and committed unfair
6 and/or unlawful business practices;
- 7 7. Entry of an order enjoining AXS from continuing the unfair and
8 unlawful business practices alleged in these counterclaims;
- 9 8. A temporary, preliminary and/or permanent order requiring AXS to
10 cease its unfair and unlawful business practices alleged in these
11 counterclaims;
- 12 9. Statutory, compensatory, and/or punitive damages in an amount to be
13 determined at trial;
- 14 10. Actual compensatory damages in an amount to be proved at trial;
- 15 11. Pre- and post-judgment interest;
- 16 12. Reasonable attorneys' fees and costs of the suit, including expert
17 witness fees; and
- 18 13. Such further relief as the court may deem just and proper.

19
20
21
22 **DEMAND FOR JURY TRIAL**

23 Pursuant to Fed. R. Civ. P. 38, TicketNetwork demands a jury trial on all claims
24 which are triable to a jury in this action.
25
26
27
28

1 Dated: January 30, 2025

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